IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS

In re application of:	Confirmation No. 5092
Justin Monk	Examiner: Fischetti, Joseph A.
Application No.: 10/694,925	Technology Center/Art Unit: 3627
Filed: October 27, 2003	APPEAL BRIEF UNDER CFR §41.37
For: METHODS AND SYSTEMS FOR PROCESSING TRANSACTIONS FOR INTEGRATED CREDIT AND STORED-VALUE PROGRAMS	
Customer No.: 20350	

Mail Stop Appeal Brief - Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

In response to the Final Office Action mailed November 25, 2005 on the above-referenced application, please enter the following Appeal Brief Under CFR §41.37.

I. REAL PARTY IN INTEREST:

At the time of the filing of this appeal brief, First Data Corporation is the real party in interest for this appeal.

II. RELATED APPEALS AND INTERFERENCES:

No other appeals or interferences are known which will directly affect, are directly affected by, or have a bearing on the board decision of the pending appeal.

III. STATUS OF CLAIMS:

Claims 1-22 were originally filed in the application on October 27, 2003. Claims 1-7 stand rejected by the Examiner, and claims 8-22 were withdrawn from consideration. Claims 1-7 were elected with traverse in response to the Restriction Requirement of the July 16, 2004 Office Action.

Claims 1-7 are believed improperly rejected and are the subject of this appeal. A copy of the claims as rejected is attached as an Appendix.

IV. STATUS OF AMENDMENTS:

All Amendments have been entered. No amendments have been filed subsequent to the Final Office Action mailed November 25, 2005.

V. SUMMARY OF CLAIMED SUBJECT MATTER:

Claim 1 is the independent claim, and sets forth a novel method for processing a transaction at a point of sale. The claim calls for receiving a cost for a transaction at a point of sale device (Original Application, p. 5, ll. 19-20, 24-25; Figs. 1, 2, Ref. Nums. 152, 164). The claim further calls for receiving, at the point of sale device, information identifying an instrument associated with a stored-value account and a credit account (Id, p. 5, ll. 25-26; Figs. 1, 2, Ref. Nums.152, 164). The stored-value account and the credit account are linked substantially contemporaneously with issuance of the instrument to the customer (Id, p. 9, ll. 27-33).

A request is generated to select a distribution of the cost for the transaction among the stored-value and credit accounts (Id, p. 12, ll. 17-33; Fig. 4B, Ref. Num. 486). The request is presented at the point-of-sale device (Id, p. 12, ll. 20-22). The point of sale device then receives a response to the request identifying a selected distribution identifying a first nonzero portion of the cost for the transaction to be applied to the stored-value account and a second nonzero

portion of the cost for the transaction to be applied to the credit account (Id, p. 12, l. 17 - p. 13, l. 18). The point-of-sale device transmits instructions to apply the cost for the transaction to the stored-value and credit accounts in accordance with the received response (Id, p. 13, ll. 20-25; Fig. 4B, Ref. Nums. 490, 494).

VI. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL:

Ground of Rejection 1: Whether claims 1-7 are unpatentable under 35 U.S.C. §103(a) over U.S. Patent No. 6,631,849 to Blossom ("Blossom") in view of U.S. Patent No. 5,839,117 to Cameron et al. ("Cameron") and U.S. Patent No. 5,930,764 to Melchione et al. ("Melchione"). Pages 2-4 of the Final Office Action dated November 25, 2005 ("Office Action"), describe the Examiner's current position on this issue.

VII. ARGUMENT:

Ground of Rejection 1: 35 U.S.C. §103(a) Rejection, Claims 1-7

The Office Action rejected claims 1-7 under 35 U.S.C. §103(a) as unpatentable over Blossom in view of Cameron and Melchione. For a rejection to be maintained under §103(a), the Examiner is charged with factually supporting a *prima facie* case of obviousness. MPEP 2142. Such a *prima facie* case requires, *inter alia*, that all limitations of the claims be taught or suggested by the cited references, and that there be some suggestion or motivation to combine or modify the reference teachings as the Examiner proposes. MPEP 2143.

ISSUE SET 1: Claim 1 calls for a point of sale device configured to distribute portions of the amount of a transaction between two accounts associated with the same instrument. The references simply do not teach nonzero payment distributions for a transaction at a point of sale device between two accounts associated with the same instrument.

The Office Action appears to rely on Blossom to teach this limitation, as Blossom describes a "card that combines the functions of different cards into a single card instrument" (Blossom, col. 2, ll. 49-50). Blossom appears to admit that a card allowing selection between features (e.g., accounts) is known in the art (Id., col. 2, ll. 30-32). Blossom describes a "card

reader (which) may also include means for allowing a user to select *a* card feature and a display for displaying *the* selected card feature and/or other information relating to *the* selected card feature" (emphasis added, Blossom, column 7, l ines 53-56). As clearly illustrated by the emphasized portions, Blossom teaches a reader which selects a *single* account at a time, not the distribution between *two* accounts explicitly taught by the claim.

In summary, Blossom is relied upon to teach what appears to be already known in the art, i.e. a single card associated with two or more accounts. Blossom cannot be relied upon to teach a nonzero distribution between such accounts from a point-of-sale device. Blossom, moreover, fails to suggest that it may be modified to *distribute the cost for the transaction* among the accounts. Blossom merely discusses selecting a single feature for a particular transaction, and no *cost distribution* is discussed or suggested.

The Office Action, then, tries to combine Blossom with Cameron to assert that the specified claim limitations are taught. Cameron does discuss a system for nonzero payment distributions. But Cameron describes a system that is quite different than claimed embodiments. Cameron sets forth a computerized system for remote order entry and payment (Cameron, col. 10, ll. 40-61). Cameron's system comprises a graphical user interface with an order payment window (Id., Fig. 13). Cameron, therefore, suggests a graphical "window" including various "capture fields," clearly directed at remote order entry, not a point-of-sale transaction (Id., col. 10, l. 62 - col. 11, l. 4). There is simply no teaching or suggestion for nonzero distributions at a point-of-sale device. Clearly, both the practical and technical issues associated with transactions for a *computerized remote order entry window* and a *point of sale device* are very different.

Moreover, there is no suggestion in Cameron that the distribution of a transaction amount be to different accounts from the *same instrument*. Instead, Cameron states that "payment methods may include, for example, a credit card, a check, a coupon, and/or a recovery coupon (i.e., gift certificate)" (Id., col. 10, ll. 55-57). While the billing module of Cameron does include the ability to allocate payment across different methods, there is simply no suggestion that the different payment methods be associated with the same instrument (Id., col. 11, ll. 55-57). The issues associated with a point-of-sale transaction are very different than those

associated with a remote order entry (e.g., presentation of card vs. input of account number, physical presence vs. remote entry, immediate delivery vs. shipping to an address, etc). Cameron, therefore, may only be fairly relied upon to teach the "ability to allocate an order across a plurality of payment methods" in the context of a computerized, remote order entry. There is no suggestion applying such a distribution at a point-of-sale device, nor any limitation reciting use with a single "instrument associated with a stored-value account and a credit account."

Cameron and Blossom comprise very different systems. Blossom suggests selecting a single account for a particular transaction from a card associated with two or more accounts. Cameron suggests a computerized remote order entry system allowing cost allocation across accounts. But neither suggests nonzero payment distributions at a point of sale device for different accounts associated with the same instrument.

Moreover, there is no suggestion in the references to modify the teachings of Blossom to include Cameron. The requisite motivation to modify Blossom is lacking, as is motivation for the specific combination of elements. The following excerpt is believed apt in the present case.

> "In the instant application, the examiner has done little more than cite references to show that one or more elements or subcombinations thereof, when each is viewed in a vacuum, is known. The claimed invention, however, is clearly directed to a combination of elements. That is to say, appellant … has presented claims to a new combination of elements." Ex parte Clapp, 227 USPQ 972, 973 (B.P.A.I. 1985).

The basic test for establishing obviousness requires that to "establish a *prima facie* case of obviousness . . . there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings . . . . The teaching or suggestion to make the claimed combination . . . must . . . be found in the prior art, not in the applicant's disclosure." MPEP § 2143.

But the Office instead relies upon the contention that the "motivation would be to limit the use of the credit card and hence the limiting of high rates of interest (Office Action, p.

3, ll. 8-9). But this does not constitute proper motivation - it addresses a *user's* motivation to use the system, and not a motivation to combine the teachings of the references. Unless the art itself "suggests the desirability of the combination," user benefits alone are clearly not enough. MPEP 2143.1.

The Office further states that the "motivation is clear" to combine the references, as "each deals with electronic purchases" (Id., p. 5, ll. 14-15). But as noted above, the systems of the references are quite different, as Cameron comprises a system of computerized remote order entry, very different from a point-of-sale device set forth in Blossom.

ISSUE SET 2: The 2nd receiving step of claim 1 recites that the accounts "were linked substantially contemporaneously with issuance of the instrument to the customer." The Office Action relies on Melchione to recite this limitation (Office Action, p. 4, ll. 10-18).

The Office Action cites the Abstract of Melchione, although this portion of Melchione notably lacks any discussion of issuing an instrument to a customer. Melchione has no disclosure of a stored-value account and credit account being linked substantially contemporaneously with issuance of an instrument associated with both accounts. The Office also generally references Fig. 16, and there is no Fig. 16 in Melchione, only Figs. 16A-F.

In the reply section of the Office Action, the Office addresses this issue, stating that "Melchione discloses bank card feeds, etc 21-25, which are opened/linked contemporaneously" (Office Action, p. 5, ll. 11-12). The Appellant respectfully asserts that it is unclear what "21-25" means.

Claim 1 specifically recites that a stored-value account and credit account be linked substantially contemporaneously with issuance of the instrument to the customer. The Abstract in Melchione fails to teach this limitation, and the citations to other parts of Melchione are unclear. If the Office continues to rely on Melchione to teach this limitation, proper citation and clarification is respectfully requested.

Independent claim 1 is allowable for at least the reasons cited above. Claims 2-7 each recite limitations in addition to those in the independent claims, and the dependent claim are believed allowable for at least the same reasons as given above.

CONCLUSION

Please deduct from Deposit Account 20-1430 any fees that may be due in association with the filing of this Appeal Brief.

Respectfully submitted,

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MLD:klb
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VIII. CLAIMS APPENDIX:

1.   (Previously Presented) A method for processing a transaction with a customer at a point of sale, the method comprising:

receiving, at a point-of-sale device, a cost for the transaction;

receiving, at the point-of-sale device, instrument-identification information identifying an instrument associated with a stored-value account and a credit account, wherein the stored-value account and the credit account were linked substantially contemporaneously with issuance of the instrument to the customer;

generating a request to select a distribution of the cost for the transaction among the stored-value and credit accounts for presentation at the point-of-sale device;

receiving, at the point of sale device, a response to the request that identifies a selected distribution identifying a first nonzero portion of the cost for the transaction to be applied to the stored-value account and a second nonzero portion of the cost for the transaction to be applied to the credit account; and

transmitting, from the point-of-sale device, instructions to apply the cost for the transaction to the stored-value and credit accounts in accordance with the received response.

2.   (Original) The method recited in claim 1 wherein generating the request comprises generating a request for the customer to select one of the stored-value and credit accounts for application of the cost of the transaction.

3.   (Original) The method recited in claim 1 further comprising verifying that the transaction qualifies for application of the cost to the stored-value account.

4.   (Original) The method recited in claim 1 further comprising verifying that the transaction qualifies for application of the cost to the credit account.

5.   (Original) The method recited in claim 1 wherein the request identifies a current value stored in the stored-value account.

6.   (Original) The method recited in claim 5 wherein the request includes an option to apply an amount of the cost for the transaction in excess of the current value stored in the stored-value account to the credit account.

7.   (Original) The method recited in claim 1 wherein the cost for the transaction exceeds a current value stored in the stored-value account and the instructions include:

a request to apply a portion of the cost equal to the current value stored in the stored-value account to the stored-value account; and

a request to apply an excess of the cost over the current value stored in the stored-value account to the credit account.

8.   (Withdrawn) A method for processing a transaction with a customer at a point of sale, the method comprising:

receiving, at a point-of-sale device, a cost for the transaction;

receiving, at the point-of-sale device, instrument-identification information identifying an instrument associated with a stored-value account and a credit account;

transmitting instructions, from the point-of-sale device, to apply a portion of the cost equal to a current value stored in the stored-value account to the stored-value account; and

transmitting instructions, from the point-of-sale device, to apply an excess of the cost over the current value stored in the stored-value account to the credit account.

9.   (Withdrawn) The method recited in claim 8 wherein the stored-value account and credit account were linked substantially contemporaneously with issuance of the instrument to the customer.

10.   (Withdrawn) The method recited in claim 8 further comprising verifying that the transaction qualifies for application of the portion of the cost to the stored-value account.

11.   (Withdrawn) The method recited in claim 8 further comprising verifying that the transaction qualifies for application of the excess to the credit account.

12.   (Withdrawn) A computer-readable storage medium having a computer-readable program embodied therein for directing operation of a point-of-sale device including an input device, a communications system, and a processor, wherein the computer-readable program includes instructions for operating the point-of-sale device to process a transaction with a customer at a point of sale in accordance with the following:

receiving, with the input device, a cost for the transaction;

receiving, with the input device, instrument-identification information identifying an instrument associated with a stored-value account and a credit account, wherein the stored-value account and the credit account were linked substantially contemporaneously with issuance of the instrument to the customer;

generating, with the processor, a request to select a distribution of the cost for the transaction among the stored-value and credit accounts for presentation at the point-of-sale device;

receiving, with the input device, a response to the request that identifies a selected distribution identifying a first nonzero portion of the cost for the transaction to be applied to the stored-value account and a second nonzero portion of the cost for the transaction to be applied to the credit account; and

transmitting, with the communications system, instructions to apply the cost for the transaction to the stored-value and credit accounts in accordance with the received response.

13.   (Withdrawn) The computer-readable storage medium recited in claim 12 wherein the instructions for generating the request include instructions for generating a request for the customer to select one of the stored-value and credit accounts for application of the cost of the transaction.

14.   (Withdrawn) The computer-readable storage medium recited in claim 12 wherein the computer-readable program further includes instructions for verifying that the transaction qualifies for application of the cost to the stored-value account.

15.   (Withdrawn) The computer-readable storage medium recited in claim 12 wherein the computer-readable program further includes instructions for verifying that the transaction qualifies for application of the cost to the credit account.

16.   (Withdrawn) The computer-readable storage medium recited in claim 12 wherein the request identifies a current value stored in the stored-value account.

17.   (Withdrawn) The computer-readable storage medium recited in claim 16 wherein the request includes an option to apply an amount of the cost for the transaction in excess of the current value stored in the stored-value account to the credit account.

18.   (Withdrawn) The computer-readable storage medium recited in claim 12 wherein the cost for the transaction exceeds a current value stored in the stored-value account and the instructions transmitted by the communications system include:

        a request to apply a portion of the cost equal to the current value stored in the stored-value account to the stored-value account; and

        a request to apply an excess of the cost over the current value stored in the stored-value account to the credit account.

19.   (Withdrawn) A computer-readable storage medium having a computer-readable program embodied therein for directing operation of a point-of-sale device including an input device, a communications system, and a processor, wherein the computer-readable program includes instructions for operating the point-of-sale device to process a transaction with a customer at a point of sale in accordance with the following:

        receiving, with the input device, a cost for the transaction;

        receiving, with the input device, instrument-identification information identifying an instrument associated with a stored-value account and a credit account;

        transmitting, with the communications system, instructions to apply a portion of the cost equal to a current value stored in the stored-value account to the stored-value account; and

transmitting, with the communications system, instructions to apply an excess of the cost over the current value stored in the stored-value account to the credit account.

20.   (Withdrawn) The computer-readable storage medium recited in claim 19 wherein the stored-value account and credit account were linked substantially contemporaneously with issuance of the instrument to the customer.

21.   (Withdrawn) The computer-readable storage medium recited in claim 19 wherein the computer-readable program further includes instructions for verifying that the transaction qualifies for application of the portion of the cost to the stored-value account.
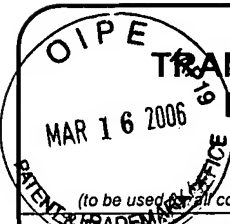
22.   (Withdrawn) The computer-readable storage medium recited in claim 19 wherein the computer-readable program further includes instructions for verifying that the transaction qualifies for application of the excess to the credit account.
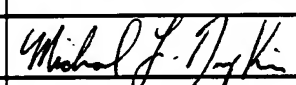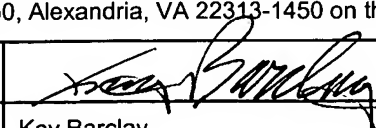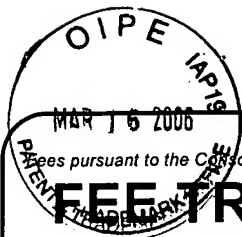
IX. EVIDENCE APPENDIX

None

X. RELATED PROCEEDINGS APPENDIX

None

TRANSMITTAL FORM

(to be used for all correspondence after initial filing)

OIPE
MAR 16 2006
PATENT & TRADEMARK OFFICE

Application Number	10/694,925
Filing Date	October 27, 2003
First Named Inventor	Monk, Justin
Art Unit	3627
Examiner Name	Fischetti, Joseph A.
Attorney Docket Number	020375-043600US

Total Number of Pages in This Submission: **16**

ENCLOSURES *(Check all that apply)*

- ☒ Fee Transmittal Form
  - ☐ Fee Attached
- ☐ Amendment/Reply
  - ☐ After Final
  - ☐ Affidavits/declaration(s)
- ☐ Extension of Time Request
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- ☐ Information Disclosure Statement
- ☐ Certified Copy of Priority Document(s)
- ☐ Reply to Missing Parts/ Incomplete Application
  - ☐ Reply to Missing Parts under 37 CFR 1.52 or 1.53

- ☐ Drawing(s)
- ☐ Licensing-related Papers
- ☐ Petition
- ☐ Petition to Convert to a Provisional Application
- ☐ Power of Attorney, Revocation Change of Correspondence Address
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- ☐ After Allowance Communication to TC
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- ☒ Appeal Communication to TC (Appeal Notice, Brief, Reply Brief)
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- ☐ Status Letter
- ☒ Other Enclosure(s) (please identify below):

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Remarks: The Commissioner is authorized to charge any additional fees to Deposit Account 20-1430.

SIGNATURE OF APPLICANT, ATTORNEY, OR AGENT

Firm Name	Townsend and Townsend and Crew LLP
Signature	*[signature]*
Printed name	Michael L. Drapkin
Date	March 16, 2006
Reg. No.	55,127

CERTIFICATE OF TRANSMISSION/MAILING

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Signature	*[signature]*		
Typed or printed name	Kay Barclay	Date	March 16, 2006

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3-20-06

AF8
SPL

Fees pursuant to the Consolidated Appropriations Act, 2005 (H.R. 4818).

FEE TRANSMITTAL
For FY 2006

☐ Applicant claims small entity status. See 37 CFR 1.27

TOTAL AMOUNT OF PAYMENT	($) 500

Complete if Known

Application Number	10/694,925
Filing Date	October 27, 2003
First Named Inventor	Monk, Justin
Examiner Name	Fischetti, Joseph A.
Art Unit	3627
Attorney Docket No.	020375-043600US

METHOD OF PAYMENT (check all that apply)

☐ Check ☐ Credit Card ☐ Money Order ☐ None ☐ Other (please identify): _____

☒ Deposit Account   Deposit Account Number: 20-1430   Deposit Account Name: Townsend and Townsend and Crew LLP

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FEE CALCULATION (All the fees below are due upon filing or may be subject to a surcharge.)

1. BASIC FILING, SEARCH, AND EXAMINATION FEES

Application Type	FILING FEES Fee ($)	Small Entity Fee ($)	SEARCH FEES Fee ($)	Small Entity Fee ($)	EXAMINATION FEES Fee ($)	Small Entity Fee ($)	Fees Paid ($)
Utility	300	150	500	250	200	100	_____
Design	200	100	100	50	130	65	_____
Plant	200	100	300	150	160	80	_____
Reissue	300	150	500	250	600	300	_____
Provisional	200	100	0	0	0	0	_____

2. EXCESS CLAIM FEES

Fee Description	Fee ($)	Small Entity Fee ($)
Each claim over 20 (including Reissues)	50	25
Each independent claim over 3 (including Reissues)	200	100
Multiple dependent claims	360	180

Total Claims	Extra Claims	Fee ($)	Fee Paid ($)
_____ -20 or HP =	_____	x _____	= _____

HP = highest number of total claims paid for, if greater than 20

Indep. Claims	Extra Claims	Fee ($)	Fee Paid ($)
_____ -3 or HP =	_____	x _____	= _____

HP = highest number of independent claims paid for, if greater than 3

Multiple Dependent Claims

Fee ($)	Fee Paid ($)
_____	_____

3. APPLICATION SIZE FEE

If the specification and drawings exceed 100 sheets of paper (excluding electronically filed sequence or computer listings under 37 CFR 1.52(e)), the application size fee due is $250 ($125 for small entity) for each additional 50 sheets or fraction thereof. See 35 U.S.C. 41(a)(1)(G) and 37 CFR 1.16(s).

Total Sheets	Extra Sheets	Number of each additional 50 or fraction thereof	Fee ($)	Fee Paid ($)
_____ - 100 =	_____ / 50 =	_____ (round up to a whole number) x	_____	= _____

4. OTHER FEE(S)

	Fees Paid ($)
Non-English Specification, $130 fee (no small entity discount)	_____
Other (e.g., late filing surcharge): Filing a brief in support of an appeal	500

SUBMITTED BY

Signature		Registration No. (Attorney/Agent)	55,127	Telephone	303-571-4000
Name (Print/Type)	Michael L. Drapkin			Date	March 16, 2006

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